

3 JUL 1974

MEMORANDUM FOR: Chief, Plans, Programs and  
Administration Division

SUBJECT : Annual Report Call for FY 74

1. Forwarded herewith is the Annual Report Call for  
FY 74 for the Personnel Security and Investigations Directorate.
2. Tab A represents inputs from the Clearance Division;  
Tab B, inputs from the Security Support Division; and Tab C covers

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3. Please advise if we can be of any further assistance  
in this matter.

*for*  
Deputy Director of Security (PSI)

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Atts.

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1 July 1974

MEMORANDUM FOR: Deputy Director of Security (PSI)

SUBJECT : Clearance Division Annual Report  
Call for Fiscal Year 1974

The Clearance Division Annual Report Call for FY1974 is set forth for your review and concurrence.

SECTION A - GENERAL

1. The Clearance Division has responsibility within the Office of Security to security process individuals for all types of overt and covert utilization by the Agency and to provide a broad spectrum of security approval, certification, and service type actions in support of Agency operations and its personnel. It conducts high-level security liaison with Federal Agencies and is responsible for the Agency reinvestigation and counterintelligence programs as applicable to the security of its personnel assets. The Clearance Division is a service organization receiving a near totality of its requests for security actions from other components of the Agency. The Office of Personnel, the Office of Logistics, the DDO, and the Deputy Director for Science and Technology are the major requesting organizations. Fiscal year planning is largely based on caseload projections from requesting offices and a month-by-month evaluation of actual receipts against these projections in order to adjust division resources to meet special workload needs. Clearance Division utilizes the Office of Security [redacted] investigative capability in all cases requiring [redacted] investigative inquiry, monitors [redacted] workload in security approval investigative areas, evaluates trends, and recommending changes in [redacted] staffing in the furtherance of PSI Directorate level objectives. Another external factor involving the

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general accomplishment of Clearance Division objectives is the continuing upward trend in the number of cases being processed involving drug abuse, which substantially adds to the time per case in its processing, investigative, appraisal, summary write-up, and adjudication phases.

2. The operating and management approach exercised in Clearance Division focuses upon the continuing program to develop and maintain greater productivity in its personnel, with emphasis in professionalism and in quality of endeavor. During FY74 substantial effort was expended in streamlining procedures under the reorganization towards this increase in productivity and as a requirement brought about by reduction in T. O. ceiling. Along with the above approach, the need to cut down on the average total processing time for a security action represented a foremost strategy in furtherance of the Office of Security's service to Agency requestors. Increased close coordination with requestors, particularly the Office of Personnel on applicant cases, resulted in a saving in case processing and a lowering of security disapproval totals, based on initial or early information that the case did not meet Agency standards for employment.
3. Effective 1 August 1973 Clearance Division became an operating component having responsibilities for all types of security approvals and similar actions as noted in paragraph 1. All levels of management and supervision in Clearance Division were involved in the amalgamation of functions previously resting in the Personnel Security Division and Investigations Division organizations, which required the establishment of new function areas, new branch and section structures, and the overall training and retraining of personnel in case processing, [redacted] investigative assignment and supervision, and appraisal functions. The reorganization restructured statistical reporting formats, procedures, required a review of clearance policies, and gave emphasis to the need for a computer based security case processing control system at the earliest date.

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4. No new FY74 objectives were identified during the operating year.

#### SECTION B - PERFORMANCE AGAINST FY74 OBJECTIVES

1. Set forth in summary form is discussion of specific Clearance Division objectives for FY74.
  - a. Objective Number 12: To complete during FY74 a study to determine how we can streamline investigative techniques and procedures and implement during 1975 the approved recommendation. The objective is designed to insure that with fewer investigators available, investigations will still comply with statutory and Agency requirements. This objective is combined with Objective Number 17 for FY75 as Objective Number 17 requires prerequisite review and planning within Clearance Division to realize greater efficiencies and quality productivity through the realignment of available personnel and workloads and to qualify any other streamlining procedures necessary to fulfill the 1975 objective. Completion has been accomplished on the objective with a formal report dated in December 1973 which covered a series of studies involving the following:
    - (1) A review of statutory and related requirements for investigative coverage encompassing Executive Order 10450, Agency regulations [ ] and [ ] and DCID 1/14.
    - (2) A random sampling of staff employee applicant and contractor employee cases to ascertain the extent of average Clearance Division investigative coverage and to develop on a factual basis the extent and degree of information which would not have been available for security appraisal had standards for investigation been limited to ten years' coverage vice the fifteen-year statutory requirement. The inadvisability of such a limited action in investigative coverage was significantly not considered in the best interests of the security of the Agency.

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- (3) As a result of these studies, action was taken on a real-time basis to eliminate unproductive and unnecessary coverage from Clearance Division investigative criteria as allowed under statutory requirements. Limitations in coverage were made in regards to record credit checks, secondary education checks in some types of cases, elimination of HCUA checks and a nonproductive check of National Security Agency records. In addition, a policy was adopted to curtail the scope of investigation in certain contractor employee reinvestigation cases and a policy in regards to the scheduling of neighborhood coverage was streamlined.
- (4) A special study group was convened within Clearance Division for an additional review of clearance standards, policies, and procedures, which culminated in a Clearance Division report in publication form of clearance policies and guidelines. This report is dated 20 February 1974 and is a significant accomplishment in the above objective area. Clearance Division through the overall reorganization and these management studies has made substantial progress in streamlining Division procedures. Investigative standards are being met and case processing, particularly in the staff T. O. applicant area, is being accomplished at current writing on a very timely basis of just under 45 days. This accomplishment is significantly important in view of the lower T. O. in both the Office of Security [redacted] and in Clearance Division. Average FY74 processing time in the Office of Security for these cases was 55 days, vice 70 days for FY73, and 74 1/2 days for FY72.

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- b. Objective Number 14: To undertake during FY74 and implement if appropriate during FY75 a study to determine whether any savings in personnel or funds can be effected through [redacted] office realignment without decrease in production.

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This is a Directorate objective, however, has been the subject of input from Clearance Division as it has related to the impact of investigations for security approval actions. During fiscal 1974 as a result of action in this objective area,



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on a real-time basis rather than in FY75 with resultant early savings.

- c. Objective Number 23: This objective was to develop during FY74 for implementation during FY75 a system which would permit actual costing in investigations and clearances in terms of dollars and manhours. Accomplishment in this objective area has been most difficult. Essentially two major considerations have served to mitigate against the fulfillment of goals. Procedurally, a system formula is available; however, at the present time application of the system cannot economically be considered nor can validity qualification be assured. Clearance Division processes under its mission responsibility a volume of investigations of specific types to meet overt, semi-covert, and covert utilization requirements. Additionally, many other processing and investigative needs are required to service the volume of other security approval, certification, and services actions. Present statistical formats and controls do not make necessary information readily available to initiate a system of costing on a realistic basis except with substantial allocation of personnel resources to mechanically obtain this statistical base. With available personnel resources, such action would be counterproductive and seriously affect productivity levels. In light of the above, Clearance Division has supported the need for the Office of Security Case Controls and Reports (OSCCAR) system in order to obtain additional input for consideration in this objective area.
2. Attached as Tab A-1 is a statistical reporting of FY74 security approval, certification, and services actions.

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## SECTION C - OTHER FISCAL YEAR 1974 ACTIVITIES

Set forth are summary statements on the accomplishment of other significant major activities of Clearance Division.

1. The Office of Personnel projected 2,900 applicant and T. O. cases for FY74. Actual receipts processed as indicated in Tab A were 2,496. This figure does not include summer-only cases which numbered 326 for FY74, nor staff Contract Type I cases which were not processed through Office of Personnel on Form 377. As indicated previously, the increase in drug abuse involved in these cases constitutes an ever increasing workload due to added investigative requirements, detailed and comprehensive summary write-ups, and evaluation memoranda. Those who are security approved in this category require special briefings and warning interviews which imposes additional burdens on available personnel resources.
2. The Clearance Division continued responsibility for the ongoing Agency drug seminar program for employees and dependents being assigned overseas. During FY74 Clearance Division presented 24 drug abuse seminars which were attended by 735 employees and/or spouses. In addition, 30 personnel briefings were given to individuals who could not attend the formal seminar presentations.
3. Clearance Division afforded representation for the Office of Security on the Agency Applicant Review Panel. During FY74 365 staff applicant-type cases were considered by the ARP.
4. Clearance Division during FY74 accomplished senior level sensitive security liaison with 27 Federal Agencies, departments, or offices.
5. During FY74 action was initiated to increase the vigor and emphasis afforded to the Reinvestigation Program for Agency employees. During the latter half of FY74, increased numbers of these cases were processed and the program will enter into FY75 with a goal of at least 150 cases per month to be processed for completion. Because of the importance of



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this program in terms of the continued security of the Agency's personnel assets and in line with counterintelligence requirements, the RIP program has been set out as a specific Clearance Division objective for FY75.

6. The reorganization which brought about Clearance Division on 1 August 1974 and the management review involved in the reorganization and subsequent implementation developed the realization of a need for computer based case processing controls for the heavy volume workload of the Division. Towards that end Clearance Division has been committed to work with the OSCCAR program in its development phase and expects realization of the OSCCAR capability during the first half of FY75.
7. Continued support has been afforded DDS&T in the security access approval area and to other industrial type utilizations requirements from the Office of Logistics.
8. Clearance Division processed 8,776 covert investigative and record check requests in support of the DDO and other Agency users during FY74.
9. Total security approvals, certifications, and services for the Clearance Division for FY1974 amounted to 44,520.

#### SECTION D - RECOMMENDATIONS

Clearance Division level objectives for FY75 and proposals for FY76 are a matter of record, having been reviewed and approved during FY74. There are no additional recommendations at this time.



Chief, Clearance Division

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9 July 1974

MEMORANDUM FOR: Deputy Director of Security (PSI)  
SUBJECT : Annual Report FY 1974

1. Attached is the last part of the Annual Report of the Security Support Division required by Chief, Plans, Programs Branch in completion of our requirements. Since we only had one simple objective and it was met, C/PPB was able to prepare the rest of the report from the SSD Resource Package.

2. We will appreciate an opportunity to review the draft report prepared by C/PPB since we realize that there will have to be much cutting and rewriting to meet the 15 page limit placed on the entire office.

  
Chief, Security Support Division

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SECTION C

Other FY 1974 Activities

This section reports on significant activities not subsumed under an objective.

- (A.) SSD organized and formalized a procedure to handle crank mail and special correspondence with security overtones. This procedure worked well. A backlog of 700 pieces of correspondence was eliminated and current incoming <sup>per</sup>mail is processed within 24 hours.
- (B.) The improvement of relations with China and the Soviet Union has resulted in increased personal and official travel with an increase in the number of personnel briefed by the SSD on security threats and dangers and on the intelligence realities to be faced by employees and individuals approved by CIA for access to classified information who travel to Bloc countries.
- (C.) During the reporting period the
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- (D.) Watergate related inquiries from the Legislative Branch consumed a large number of unscheduled man hours.
- (E.) Congressional hearings on the use of polygraph in the government required use of many man hours in preparation of CIA testimony. The CIA testimony was well received and there is no immediate indications that the CIA use of polygraph will be prohibited.

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- (H.) Polygraph questions were revised to reflect today's environment and take into consideration the proliferation in the use of narcotics among applicants and the rise of terrorism and terroristic activities.
- (I.) The SSD, through cross orientation and work exposure of specialists in personnel security and security support achieved a broader based headquarters staff. This permits more general response to all types of requests for security support activities without an increase in staff.

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